

ORIGINALDecision No. 54854

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ANTELOPE VALLEY WATER CO.,)
 a corporation, to operate as a public)
 utility a water system already constructed;)
 to extend said system; to exercise rights) Application No. 38284
 under a county franchise to be applied) as amended
 for; and to issue stock.)

Sanford A. Waugh, attorney, for applicant.
Edward C. Webb, vice president, for Westside Park
 Mutual Water Company¹; L. W. Peters, president,
 for White Fence Farms Mutual Water Company,
 White Fence Farms Mutual Water Company No. 2,
 and White Fence Farms Mutual Water Company
 No. 3¹; George Goldman, attorney, and Warner S.
 Briggs, general manager and secretary, for
 El Dorado Mutual Water Co., protestants.
Blair W. Taylor, president, and George A. Bechner,
 secretary, for Antelope Mutual Water Company;
A. E. Finch, secretary and manager, for Quartz
 Hill County Water District, interested parties.
James G. Shields and A. L. Gielegem, for the
 Commission staff.

O P I N I O N

Antelope Valley Water Co.,² a corporation, by the above-
 entitled application filed July 23, 1956, as amended February 15,
 1957, seeks a certificate of public convenience and necessity defin-
 ing the area within which it is authorized to furnish water as a
 public utility water corporation, and seeks authority to exercise
 county franchises to be sought from Los Angeles and Kern Counties.
 Authority is also sought to issue 500 shares of no-par value stock
 to William N. Taylor and Katie S. Taylor, husband and wife, in

¹ The protests of Westside Park Mutual Water Company and of the
 White Fence Farms Mutual Water Companies were withdrawn at the
 hearing.

² Hereinafter referred to as applicant.

exchange for water system properties and working cash. The areas for which a certificate is requested are shown on the sketch, Exhibit "E", attached to the original application, and on the maps, Exhibits "E-1" and "E-2", attached to the amendment to the application.

Public hearings on this matter were held before Examiner Stewart C. Warner on February 27 and March 1, 1957, at Lancaster. As noted, the protests of the White Fence Farms Mutual Water companies and Westside Park Mutual Water Company were withdrawn at the hearing; El Dorado Mutual Water Company protested the application only in so far as said application applied to the S $\frac{1}{2}$ of Sec. 4, T. 6 N., R. 12 W., S.B.B.& M.; and Quartz Hill County Water District, by its letter dated February 21, 1957 (Exhibit No. 1), withdrew any objection to the application as amended.

General Information

Applicant's Articles of Incorporation were filed with the Secretary of State on June 29, 1956. Said Articles provide that applicant's first directors are William N. Taylor, Katie S. Taylor, and Sanford A. Waugh, all of Lancaster. William N. Taylor, applicant's president, is a licensed contractor and has been engaged in pipeline construction work for the past 10 years. He has installed many water installations in Antelope Valley, and has constructed water systems for several mutual water companies in the area, including the three White Fence Farms companies, Antelope Mutual Water Company, Taylor Mutual Water Company, and others. Katie S. Taylor, his wife, is a bookkeeper with 23 years of bookkeeping and office experience, and is applicant's secretary-treasurer. Sanford A. Waugh is an attorney at law. The offices of applicant will be maintained at Taylor's residence at 2039 West Avenue M, Lancaster. Said residence is located within the originally proposed service area (Area A infra).

By its Articles applicant is authorized to issue 2,500 shares of stock without par value.

Applicant proposes to construct, extend, acquire, and operate public utility water systems in three separated areas, designated as Areas A, B, and C in a Commission staff engineering report, Exhibit No. 12, on applicant's operations for the years 1957, 1958, and 1959, estimated.

Description of Proposed Area A

Applicant's proposed Area A comprises all of Section 32, including the present service area of Antelope Mutual Water Company and Taylor Mutual Water Company, all of Sec. 4, and the E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 6, T. 6 N., R. 12 W., S.B.B.& M., totaling 1,360 acres of gently sloping land approximately 4 miles southwest of the town of Lancaster in unincorporated territory, Los Angeles County.

Exhibit "C" is a contract between Taylor Mutual Water Company and William N. Taylor, an individual, executed in July, 1956, which provides for the transfer of water system properties and rights pertaining thereto to Taylor, the individual.

Exhibit "D" attached to the application is a contract between Antelope Mutual Water Company and William N. Taylor, an individual, executed in July, 1956, which, likewise, provides for the transfer of water system properties and rights pertaining thereto to said Taylor or applicant.

The consideration in each of said contracts, Exhibits "C" and "D", is the furnishing of water service to the present consumers of the mutuals by Taylor, the individual, or by a corporation to be formed by him.

Taylor Mutual has six consumers, and Antelope Mutual has about 40 consumers.

Description of Applicant's Proposed Water System in Area A

Taylor, the individual, will acquire, and transfer to applicant, a 12-inch well of Taylor Mutual, 435 feet in depth, in which is installed a pump driven by a 40-hp electric motor. Said pumping plant installation has a production capacity of 330 gallons per minute, and discharges into a 22,000-gallon tank, located adjacent to said plant. From said tank, water is transmitted by a 20-hp booster pump, through a 5,000-gallon pressure tank, into the distribution system. The distribution system is composed principally of 6- and 8-inch welded steel pipe, and some 2-inch pipe at the extremity of the system.

Taylor, the individual, will acquire, and transfer to applicant, a 12-inch well of Antelope Mutual, 540 feet in depth, in which is installed a pump driven by a 25-hp electric motor. Said pumping plant installation has a production capacity of approximately 225 gallons per minute, and discharges through a 10,000-gallon pressure tank into the distribution system which is composed principally of 6-inch welded steel mains.

Applicant proposes to interconnect the two existing mutual water companies' systems by the installation of approximately 780 feet of pipe.

Proposed Rates, Area A³

Applicant proposes to continue the existing mutual companies' rates, except that it is proposed to eliminate the existing \$1 per acre per month standby charge. However, applicant proposes to install meters to the extent that metering installations can be financed.

³ Also Area C, as noted hereinafter.

The proposed flat rates are \$5 per house per month for domestic use only; \$7.50 per house per month, including livestock, chickens or swimming pool, and \$10 per month for irrigation water.

The proposed meter rates are as follows:

0 - 1,000 cu.ft., per 100 cu.ft.	\$0.25
1,000 - 4,500 cu.ft., per 100 cu.ft.	.15
Over 5,000 cu.ft., per 100 cu.ft.	.10

Requests From Property Owners and Subdividers for Water Service in Area A

Exhibit No. 2 is a letter dated July 2, 1956, from six owners of property in Section 32, not mutual company consumers, requesting water service to their properties totaling 20 acres in said section.

Exhibit No. 3 is a letter, dated February 24, 1957, from the owner of 5 acres of property in the NW $\frac{1}{4}$ of Sec. 4, and Exhibit No. 4 is a letter, dated February 25, 1957, from the owner of approximately 48 acres, also in the NW $\frac{1}{4}$ of Sec. 4. Each of said property owners requested water service by applicant to his property.

No requests for service in the S $\frac{1}{2}$ of Sec. 4 or in the E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 6 were submitted or received. However, it was the opinion of applicant's president that applicant could operate more economically and efficiently in the enlarged areas as proposed than in any smaller areas.

Protest by El Dorado Mutual Water Company

El Dorado Mutual Water Company protested the application in so far as it pertained to the S $\frac{1}{2}$ of Sec. 4 on the grounds that said mutual was furnishing water service to 160 of its stockholders in Sec. 9; and that, at some future time, El Dorado might elect to expand its service area, or form a public utility water company, to serve its present area and such expanded area.

Application for a Los Angeles County Franchise

Applicant has applied to the Los Angeles County Board of Supervisors for a franchise to use the county roads and highways for the installation of pipelines. Said application has not been acted upon by said Board of Supervisors.

Description of Proposed Area B

Applicant's proposed Area B is located in Kern County about 2 miles east of Inyokern and about $4\frac{1}{2}$ miles west of the west gate of the China Lake Naval Ordnance Test Station, on the south side of State Highway No. 212. The area comprises 134 lots of Record of Survey No. 1865 of Kern County, which comprises a total of 497 lots, of which 60 lots have been sold.

Taylor, as an individual, proposes to construct a water system to supply water to and within Area B in accordance with the contract Exhibit "C-1", dated February 11, 1957, between First Western Bank and Trust Company, Everett T. Calvert and Leo L. Strecker, and said Taylor. Taylor agrees to install the water system for \$40,850. Said amount is to be advanced by the subdivider and is subject to refund by Taylor. Applicant will acquire this water system from Taylor in exchange for applicant's stock.

Description of Applicant's Proposed Water System in Area B

Applicant proposes to acquire from Taylor (he, having acquired it from the subdividers) a 16-inch well located on Lot No. 55 of the subdivision. Said well was drilled in 1923 to a depth of 311 feet, and Taylor proposes to install a pumping plant therein consisting of a pump driven by a 15-hp electric motor, which will have a production capacity of 200 gallons per minute, and will discharge through a 2,500-gallon pressure tank into the distribution system. Applicant's president testified that a storage tank would be installed, and additional sources of water supply would be obtained,

by applicant, as additional customers were connected to the system and as demands for water service increased. The distribution mains to be installed will consist of an 8-inch transite pipeline feeding into 4- and 6-inch transite lateral mains.

Proposed Rates for Area B

Applicant proposes a flat rate of \$5 per house per month for domestic use, only, and the following schedules of domestic and commercial meter rates:

Domestic Rate:

600 cubic feet or less	.....	\$3.00	
1,000 cubic feet	.....	.30	per 100 cu.ft.
1,400 cubic feet	.....	.25	per 100 cu.ft.
Over 3,000 cubic feet	.....	.20	per 100 cu.ft.

Commercial Rate:

600 cubic feet or less	.....	\$3.00	
1,000 cubic feet	.....	.25	per 100 cu.ft.
1,400 cubic feet	.....	.20	per 100 cu.ft.
Over 3,000 cubic feet	.....	.15	per 100 cu.ft.

No justification for the establishment of a separate commercial meter rate is of record, and applicant agreed to a combined domestic-commercial meter rate.

Application for a Kern County Franchise

Applicant has applied to the Kern County Board of Supervisors for a franchise to install pipelines within, under and through the Kern County roads. No action on said application has been taken by the said Board of Supervisors.

Description of Proposed Area C

Applicant's proposed Area C comprises 40, 2½-acre lots totaling 100 acres, being Record of Survey No. 2346, which is a portion of the SW¼ of Sec. 19, T. 8 N., R. 10 W., S.B.B.& M., located north and east of Lancaster on Avenue E at 80th Street East. Water service will be furnished to this area in accordance with the contract, Exhibit "C-2", executed February 11, 1957, between

Andrew Bongiovanni and Angela Bongiovanni, brother and sister, and William N. Taylor, an individual.

Description of Applicant's Proposed Water System in Area C

The Bongiovannis have contracted with Taylor to transfer to Taylor a well and two, 40-hp electric motors and pumps; one to be installed in said well, and one to be utilized for standby purposes. The water system installation, including the well, well site, pumps and motors, a pressure tank, a 21,000-gallon storage tank, and 4- and 6-inch transite pipelines, will be effected by Taylor for a cost of \$14,500, which will be advanced to Taylor by the Bongiovannis, subject to refund by Taylor. Applicant will acquire this water system from Taylor in exchange for applicant's stock.

Proposed Rates for Area C

Applicant proposes to apply its rates for Area A, hereinbefore outlined, to Area C.

Financing

Although precise data are not available regarding the historical cost of the water systems of the mutual water companies proposed to be acquired by applicant from Taylor, the record shows that such data can be obtained. Exhibit No. 11, a Commission staff engineering report on applicant's operations for Area A, indicates that the approximate depreciated historical cost, as of December 31, 1956, of applicant's proposed systems in Area A, was \$31,532. As noted hereinbefore, the estimated cost of the water system installation in Area B of \$40,850 and the cost of \$14,500 for the installations in Area C, are to be advanced by the subdivider to Taylor, who, by contract, has agreed to refund such advances. All of these properties, in turn, are to be transferred by Taylor to applicant in exchange for applicant's stock. Applicant's president's personal financial

statement, as of May 31, 1956 (Exhibit B), showed total assets of \$123,298.07, which he has agreed and is prepared to commit to applicant in the form of loans, collateral for loans, or for the purchase of applicant's stock. Further, applicant's president has assets in another wholly owned corporation totaling \$200,000, with monthly income of \$400, all of which would and will be used as security for applicant's operations.

Growth of the Areas

A Commission staff engineering witness estimated that Area A would have an average of 48 consumers during 1957; Area B, 7; Area C, 4, for an average total of 59 consumers for the year. During 1958, consumers would increase to 60 in Area A, 14 in Area B, and 10 in Area C, for a total of 84; and in 1959, 72 in Area A, 20 in Area B, and 20 in Area C, for a total of 112.

Staff Recommendations

The Commission staff made the following recommendations:

1. That the existing mutual water companies' systems in Area A be interconnected prior to June 1, 1957.
2. That a flat rate be established for residential use, only, and that the proposed flat rate for irrigation service be eliminated.
3. That a firm program for the installation of meters be established.
4. That applicant adopt the straight-line remaining life method of depreciation; the composite rate on depreciable utility plant in Area A to be 4.1 per cent, and in Areas B and C to be 3.1 per cent; each of such rates to be subject to periodic review by applicant and by the Commission.

Findings and Conclusions

From a review of the record the Commission finds and concludes that the application for a certificate of public convenience and necessity should be granted in part and denied in part. Since no public convenience and necessity was shown for water service

authorization and operations in the S $\frac{1}{2}$ of Sec. 4 and in the E $\frac{1}{2}$ of the NE $\frac{1}{2}$ of Sec. 6, both in Area A, those portions of the application will be denied. Further, applicant should be and will be restricted from extending its water system into the S $\frac{1}{2}$ of Sec. 4 without further order of the Commission. In all other respects the application for a certificate will be granted subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

The action taken herein shall not be construed to be a finding of the value of the property herein described.

While the contracts received in evidence, Exhibits Nos. "C-1" and "C-2", supra, are made in each instance by Taylor as an individual, and require refunds to be made by Taylor which are substantially in accord with standard procedures established by the Commission, the record shows that Taylor has caused applicant corporation to be organized for the primary purpose of engaging in the business of supplying water for domestic and irrigation purposes as a public utility. The record also shows that Taylor proposes to convey the water systems hereinbefore described to applicant in exchange for the issue by applicant to Taylor of an aggregate number of 500 shares of applicant's capital stock, all as hereinbefore noted. The transactions, as planned by the parties and as presented to the Commission, will thus leave the respective obligations to make the standard refunds exclusively upon Taylor as an individual, which will, in turn, relieve applicant of all such obligations. Dr. Everett T. Calvert, for himself and in behalf of his associates, Mr. Leo L. Strecher and First Western Bank and Trust Company, and

Mr. Andrew Bongiovanni, for himself and his sister, Miss Angela Bongiovanni, each appeared and testified at the hearings.

While neither of said witnesses objected to the refund provisions of the respective contracts, the Commission feels that applicant should procure from First Western Bank and Trust Company and Messrs. Everett T. Calvert and Leo L. Strecher on the one hand, and Mr. Andrew Bongiovanni and Miss Angela Bongiovanni on the other hand, respective written stipulations directed to the Commission, duly executed and acknowledged, under the terms of which each of said parties agrees specifically to accept Taylor as the sole and exclusive obligor to make the refunds specified in the respective contracts, and each specifically releases and discharges applicant from any such obligations. The order which follows will so condition the certificate granted applicant herein.

Applicant will be authorized to file its proposed rates, except in so far as they cover a flat rate for irrigation service, inasmuch as, (1) they appear to be comparable to the rates of other public utility water companies operating in the desert and semidesert areas, (2) they do not constitute an increase in rates to the consumers of the mutual companies proposed to be acquired by applicant, (3) no protests thereto were filed and, (4) Exhibit No. 12 shows that the proposed rates would not produce an excessive rate of return based on estimated operations for the years 1957, 1958, and 1959.

Applicant's request that it be authorized to issue 500 shares of no-par value stock to William N. Taylor, and Katie S. Taylor, husband and wife, for the acquisition by and transfer to it of all of the water system properties in Taylor's name in Areas A, B, and C, appears to be reasonable and will be authorized by the order which follows.

Applicant should certify in writing to the Commission when it possesses clear title to the wells, well sites, and water system

properties described hereinbefore, and the order which follows will so direct applicant as a condition to the granting of the certificate.

When applicant has filed a supplemental application, or applications, herein to which are attached a copy of the franchise issued by the Board of Supervisors of the County of Los Angeles and a copy of the franchise issued by the Board of Supervisors of the County of Kern to cover the areas requested in this proceeding, the Commission will issue a certificate, or certificates, of public convenience and necessity authorizing applicant to exercise such franchise, or franchises, upon such terms and conditions as the Commission may designate.

O R D E R

Application, as amended, having been filed, public hearings having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED as follows:

- 1.a. That Antelope Valley Water Co., a corporation, be and it is granted a certificate of public convenience and necessity to acquire, construct, and operate a public utility water system in its Areas A, B, and C, described hereinbefore, including Sec. 32 and the N $\frac{1}{2}$ of Sec. 4, T. 6 N., R. 12 W., S.B.B.& M., in that portion of Record of Survey No. 1865 of Kern County, including Lots 6 to 93, inclusive, Lots 131 to 136, inclusive, and Lots 457 to 497, inclusive, as more particularly delineated on the map Exhibit "E-1" attached to the application, as amended, and in Record of Survey No. 2346, Los Angeles County, as shown on the map Exhibit "E-2" attached to the application, as amended, subject to the condition that applicant shall certify in writing to the Commission, within 180 days after the effective date hereof, that it possesses clear title to all of the wells, well sites, and water system properties described in the preceding opinion.
- b. That, with respect to Area B (Kern County), before the date service is first rendered to the public, applicant shall provide water supply facilities capable of producing sufficient water to render service within said Area B certificated herein in a manner which shall fully meet the requirements

of this Commission's General Order No. 103. At least ten days before commencing service, applicant shall notify the Commission in writing of the completion of the provision of such facilities, together with a brief description thereof including such items as the dimensions of the parcel of land actually obtained, size and depth of the well or wells as developed, the quality and quantity of the water obtainable therefrom, the size in horsepower and capacity in gallons per minute of the pumping unit installed, the size of the hydropneumatic tank or tanks connected thereto, the capacity of any storage provided, and the limits of the operating pressures of the system.

- c. The foregoing certificate is granted upon the condition precedent that applicant shall procure, and file with the Commission a written stipulation from each of First Western Bank and Trust Company and Messrs. Everett T. Calvert and Leo L. Strecher on the one hand, and Mr. Andrew Bongiovanni and Miss Angela Bongiovanni on the other hand, directed to the Commission, duly executed and acknowledged by each of said parties, under the terms of which each of said parties agrees specifically to accept Taylor as the sole and exclusive obligor to make the refunds specified in the respective contracts, Exhibit "C-1" and "C-2" attached to the application as amended, and each specifically releases and discharges applicant from any of said obligations.
 - d. That applicant shall not extend its water system into the S $\frac{1}{2}$ of Sec. 4, T. 6 N., R. 12 W., S.B.B.& M. without further order of the Commission.
2. That applicant be, and it is, authorized to file, after the effective date of this order, the rates set forth in Appendix A attached to this order to be effective on or before the date service is first rendered to the public, together with rules and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96. Such rates, rules and tariff service area map shall become effective on five days' notice to the Commission and to the public after filing as hereinabove provided.
 3. That applicant shall file, within forty days after the system is placed in operation under the rates and rules authorized herein, four copies of comprehensive system maps drawn to an indicated scale not smaller than 500 feet to the inch delineating by appropriate markings the various tracts of land and territory served; the principal water production, storage and distribution facilities; and the location of various properties of applicant in each area certificated.

4. That beginning with the year 1957, applicant shall determine depreciation expense by multiplying the depreciable utility plant in Area A, hereinabove certificated, by a rate of 4.1 per cent and the depreciable utility plant in Areas B and C, hereinabove certificated, by a rate of 3.1 per cent. These rates shall be used until review indicates they should be revised. Said applicant shall review the depreciation rates using the straight-line remaining life method whenever substantial changes in depreciable utility plant occur and at intervals of not more than 5 years and shall revise the above rates in conformance with such reviews. Results of these reviews shall be submitted to the Commission.
- 5.a. That applicant is authorized to issue 500 shares of its no-par value common stock to William N. and Katie S. Taylor, husband and wife, for conveyance of the water system properties referred to in the preceding opinion and for cash. The Commission is of the opinion that the money, property or labor to be procured or paid for by the issuance of such stock, is reasonably required by applicant for the purposes herein stated and that such purposes are not reasonably chargeable to operating expenses or to income.
- b. That prior to the issuance by applicant of any of its shares of stock to William N. and Katie S. Taylor, it shall procure, and file with the Commission, a letter addressed to the Commission, signed by said William N. Taylor, wherein he agrees to commit all or any part of his assets as shown on Exhibit B of the application herein as may be necessary or appropriate to carry out the proposals contained in the application as originally filed and as amended.
6. That applicant shall file with the Commission a report or reports as required by the Commission's General Order No. 24A, which order, in so far as applicable, is made a part of this order.
7. That the authority herein granted will lapse if not exercised within one year from the effective date hereof.
- 8.a. That applicant shall interconnect the existing water systems in Area A prior to June 1, 1957, and shall report to the Commission in writing within ten days after such interconnections have been made, stating the lengths and sizes of the pipes installed to effect the interconnections and the locations thereof.
- b. That applicant shall within ninety days after the effective date hereof submit to the Commission in writing a firm program for the installation of meters in each of the areas certificated.

9. Upon the filing by applicant of a supplemental application, or applications, to which are attached a copy of the franchise issued by the Board of Supervisors of the County of Los Angeles and a copy of the franchise issued by the Board of Supervisors of the County of Kern as hereinabove provided, the Commission will issue a certificate, or certificates of public convenience and necessity authorizing applicant to exercise such franchise, or franchises, upon such terms and conditions as the Commission may designate.
10. That the application as amended, except as specifically herein granted, be, and it is, denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 16th day of April, 1957.

[Signature]
President.

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

APPENDIX A
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Schedule No. LN-1

Lancaster Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Two unincorporated areas, one of which is located approximately 4 miles southwesterly, and the other approximately 13 miles northeasterly of Lancaster, Los Angeles County.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Rates:	
First 1,000 cu.ft. or less	\$ 2.50
Next 4,000 cu.ft., per 100 cu.ft. ....	.15
Next 5,000 cu.ft., per 100 cu.ft. ....	.10
Over 10,000 cu.ft., per 100 cu.ft. ....	.075
Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 2.50
For 3/4-inch meter	3.50
For 1-inch meter	5.00
For 1 1/2-inch meter	8.00
For 2-inch meter	12.00

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

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Schedule No. LN-2RLX
Lancaster Tariff Area
LIMITED TEMPORARY RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all residential water service furnished on a flat rate basis.

TERRITORY

Two unincorporated areas, one of which is located approximately 4 miles southwesterly, and the other approximately 13 miles northeasterly of Lancaster, Los Angeles County.

RATES

	<u>Per Service Connection For Month</u>
For a single family residence, including premises not exceeding 2 acres in area	\$5.00
In addition, for watering not more than 5 head of livestock and 200 chickens	2.50

SPECIAL CONDITIONS

1. The above residential flat rate charges apply to service connections not larger than 1 inch in diameter.
2. All service not covered by the above classification will be furnished only on a metered basis.
3. A meter may be installed at option of utility or customer for above classification in which event service thereafter will be furnished only on the basis of Schedule No. LN-1, General Metered Service.
4. Service under this schedule will be furnished only to existing customers until such time as meters are installed.
5. This schedule will be effective only to and including December 31, 1959, and thereafter will be withdrawn.

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Schedule No. KN-1

Inyokern Tariff Area

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area adjacent to State Highway No. 112 approximately 2 miles easterly of Inyokern, Kern County.

RATES

Quantity Rates:	<u>Per Meter</u> <u>Per Month</u>
First 600 cu.ft. or less	\$ 3.00
Next 1,000 cu.ft., per 100 cu.ft. ....	.30
Next 1,400 cu.ft., per 100 cu.ft. ....	.25
Next 2,000 cu.ft., per 100 cu.ft. ....	.20
Over 5,000 cu.ft., per 100 cu.ft. ....	.15
 Minimum Charge:	
For 5/8 x 3/4-inch meter	\$ 3.00
For 3/4-inch meter	4.00
For 1-inch meter	6.00
For 1 1/2-inch meter	8.50
For 2-inch meter	12.00

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

Schedule No. KN-2RLX

Inyokern Tariff Area

LIMITED TEMPORARY RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all residential water service furnished on a flat rate basis.

TERRITORY

The unincorporated area adjacent to State Highway No. 112 approximately 2 miles easterly of Inyokern, Kern County.

RATES

	<u>Per Service Connection</u> <u>Per Month</u>
For a single family residence, including premises not exceed- ing 1½ acres in area	\$5.00

SPECIAL CONDITIONS

1. The above residential flat rate charge applies to service connections not larger than 1 inch in diameter.
2. All service not covered by the above classification will be furnished only on a metered basis.
3. A meter may be installed at option of utility or customer for above classification in which event service thereafter will be furnished only on the basis of Schedule No. KN-1, General Metered Service.
4. Service under this schedule will be furnished only to existing customers until such time as meters are installed.
5. This schedule will be effective only to and including December 31, 1959, and thereafter will be withdrawn.